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INFORMATIONAL NOTICE

TO: Enrolled Hospices

RE: Nursing Facility Room and Board Payment - Patient Credit Deduction

The purpose of this notice is to inform hospices of a change in the payment calculation process for hospice patients' nursing facility room and board.

Currently, the Department's calculation of a hospice patient's nursing facility room and board payment differs from the calculation used for non-hospice patients' nursing facility room and board. **Effective with dates of service on or after July 1, 2003, the hospice calculation order will be revised to be consistent with the room and board payment calculation order used for non-hospice nursing facility residents.** The Department will calculate the hospice patient's nursing facility room and board payment by multiplying the nursing facility daily room and board rate by the number of days the patient was in the facility during the billing period, then multiplying that amount by ninety-five percent (95%), and then finally deducting the patient credit amount.

Hospices must continue to bill for nursing facility room and board charges for hospice patients who reside in nursing facilities. The Department reimburses the hospice for the nursing facility room and board charges, and the hospice in turn reimburses the nursing facility.

Topic 220.6 of the Handbook for Hospice Agencies contains accurate policy regarding nursing facility room and board. If you have any questions, please contact your hospice's medical assistance consultant in the Bureau of Comprehensive Health Services at (217) 782-5565.

Anne Marie Murphy, Administrator
Division of Medical Programs